

AQAA
DAR COUNCIL ACTIVITY REPORT
12 February 1997

FAR/DFARS Cases Discussed:

97-006	Business Process Innovation: Clarify guidance that the contracting officer is responsible for taking the lead in proposing business process innovations and in ensuring that business decisions are sound.	Agreed to draft final rule, with edits.
97-002	Use of FPI Products by Contractors: Clarify guidance that the statutory obligation for agencies to purchase certain supplies from FPI is applied to contractors acquiring those supplies for Government use.	Recommended case be closed - no statutory requirement for flowdown.
96-608	Less-than-Carload Lots: Clarify guidance on the Federal Prison Industries absolute priority for supplies it produces, to include less-than-carload-lots--FPI items stocked by GSA warehouses, established by 18 USC 4124.	Verified that no change is required to draft proposed rule based on disposition of FAR case 97-002.
97-D001	Reporting Real Property Leases: Clarify guidance on reporting contract awards for purchase of land, or rental or lease of real property.	Agreed to final rule, with no change to Committee recommendations.
96-D029	Monitoring Contractor Costs: Allow the contract administration office to determine when Contractor Cost Monitoring reviews should be performed and eliminate annual plans and reports.	Discussion of proposed rule postponed to allow Services to review impact of entirely deleting DFARS 242.70. Scheduled to be discussed on 02/20/97.
96-D334	Restructuring Costs: Implement Section 8115, PL 104-208, which provides that no funds be used to reimburse a defense contractor for restructuring costs associated with a business combination of the defense contractor after September 30, 1996. Provides certain exceptions.	Agreed to convert interim to final rule w/o change.
97-D003	Program Manager Definition: Define "program manager" and "deputy program manager" for the purpose of Procurement Integrity.	Discussion of draft proposed rule postponed to allow Services and Agencies to submit positions. Scheduled to be discussed on 03/05/97.
96-D320	Notice of Termination: Implement section 824, PL 104-201, which modifies the notification process resulting from termination or substantial reduction in defense contracts to occur upon actual contract termination or substantial reduction rather than during the budget process.	Agreed to convert interim to final rule w/o change.

NOTE 1: FAC 90-46 has been cleared by OMB for publication and should be published within the next week.